

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of

THE APPLICATION OF BEREA COLLEGE	)	
ELECTRIC UTILITY, A DEPARTMENT OF	)	
BEREA COLLEGE, FOR RATE INCREASE	)	
TO FLOW-THROUGH THE INCREASE OF	)	
WHOLESALE PURCHASED POWER GRANTED	)	CASE NO. 8296
TO KENTUCKY UTILITIES COMPANY IN	)	
ITS APPLICATION FOR WHOLESALE RATE	)	
INCREASE WITH THE FEDERAL ENERGY	)	
REGULATORY COMMISSION	)	

O R D E R

On July 30, 1981, Berea College Electric Utility (Berea Electric), a department of Berea College, filed with this Commission its Application to flow-through any increase in rates granted to its wholesale power supplier, Kentucky Utilities Company (Kentucky Utilities) by the Federal Energy Regulatory Commission (FERC). Berea will experience an increase in power cost of approximately \$875,279. This increase will result in an overall increase to the customers of Berea Electric of approximately 38 percent.

On November 17, 1981, a hearing was held in the Commission's offices in Frankfort, Kentucky. The Consumer Protection Division of the Attorney General's Office, the City of Berea, Kentucky, and the Berea Manufacturing Society, Berea, Kentucky, were in attendance and were permitted to intervene in the matter.

FERC has permitted the Kentucky Utilities wholesale rate increase to become effective as of November 21, 1981, subject to refund, pending a final decision by FERC at a later date.

The Commission, after review of the evidence of record and being advised, is of the opinion and finds that:

1. The increase that FERC has permitted Kentucky Utilities to put into effect as of November 21, 1981, subject to refund, will result in an increase of power cost to Berea Electric of \$875,279.

2. Berea Electric is entitled to recover the increased wholesale power cost granted to its wholesale power supplier and the financial condition of Berea Electric would be materially impaired if it were not allowed to recover this additional cost.

3. The rates and charges prescribed in Appendix A are the fair, just and reasonable rates and charges to be charged for the area served by Berea Electric.

4. The flow-through of the wholesale power cost increase will not result in any additional net margin to Berea Electric.

5. The rates and charges in Appendix A are interim rates and charges and are subject to refund pending the final decision by FERC in the Kentucky Utilities' application for increase of wholesale power rates.

IT IS THEREFORE ORDERED that Berea Electric is hereby authorized to flow-through the increased power costs resulting from the increase granted its wholesale power supplier, Kentucky Utilities.

IT IS FURTHER ORDERED that the rates and charges in Appendix A shall be placed into effect simultaneously with the effective date of the Kentucky Utilities' wholesale power increase and are the fair, just and reasonable rates for the area served by Berea Electric on and after November 21, 1981.

IT IS FURTHER ORDERED that the rates and charges in Appendix A are interim rates and shall be placed into effect subject to refund pending the final decision of FERC in the Kentucky Utilities' application for wholesale power increase.

IT IS FURTHER ORDERED that Berea Electric shall maintain its records in such a manner that should a refund be required in the final decision by FERC, that the refund to the customers of Berea Electric could be quickly determined.

IT IS FURTHER ORDERED that Berea Electric shall file, within 20 days from the date of this Order, its revised tariff sheets setting out the rates and charges approved herein.

Done at Frankfort, Kentucky, this 20th day of November, 1981.

PUBLIC SERVICE COMMISSION

Martin M. Vohy  
Chairman

Katharine Randall  
Vice Chairman

Sam Karuga  
Commissioner

ATTEST:

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Secretary

## APPENDIX A

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 8296 DATED NOVEMBER 20, 1981

The following rates and charges are prescribed for the customers in the area served by Berea College Electric Utility. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the date of this Order.

#### RESIDENTIAL - CLASS 1

##### Rates

First	30 KWH Per Month	7.188¢/KWH
Next	70 KWH Per Month	5.988¢/KWH
Next	100 KWH Per Month	5.388¢/KWH
Next	200 KWH Per Month	4.588¢/KWH
Over	400 KWH Per Month	3.889¢/KWH

##### Minimum Charge

The minimum charge is \$2.15 per meter per month.

#### COMMERCIAL SERVICE - CLASS 3

##### Demand Rates

0 - 10	KW Demand Per Month	No Charge
11 and Over	KW Demand Per Month	\$ 1.00/KW

##### Energy Rates

First	50 KWH Per Month	7.188¢/KWH
Next	80 KWH Per Month	5.988¢/KWH
Next	1,370 KWH Per Month	5.488¢/KWH
All Over	1,500 KWH Per Month	3.889¢/KWH

##### Minimum Charge

The minimum charge is \$3.60 per meter per month.

INDUSTRIAL SERVICE - CLASS 4

Demand Charge

All KW Demand Per Month \$ 1.90/KW

Energy Rates

First 25,000 KWH Per Month	3.888¢/KWH
Next 75,000 KWH Per Month	3.788¢/KWH
Over 100,000 KWH Per Month	3.689¢/KWH

AREA LIGHTING SERVICE - CLASS 5

Rates

175 Watt Mercury Vapor Per Light Per Month \$ 6.00/Month

STREET LIGHTING SERVICE - CLASS 6

Rates

400 Watt Mercury Vapor Per Light Per Month \$ 8.00/Month

175 Watt Mercury Vapor (Where lights are  
installed on existing poles) \$ 5.00/Month

175 Watt Mercury Vapor (Where the instal-  
lation of the light requires setting  
new pole) \$ 6.00/Month